Message
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**From:**      Julie Sterling [jsterling@google.com]
**Sent:**      9/29/2015 1:56:35 PM
**To:**        David Goodman [davidgoodman@google.com]; Drew Bradstock [dbradstock@google.com]; Jonathan Bellack
               [jbellack@google.com]; Bryan Rowley [browley@google.com]; Damian De Virgilio [ddevirgilio@google.com]
**Subject:**   Fwd: [programmatic-news] Another header bidding push from Appnexus

- most of the recipients on this string.

Jonathan, Drew, David, Bryan & Damian,

Hope all is well.   I wanted to share my thoughts on this (to a smaller audience) and ask for some
feedback on how to address what many folks on the sales team feel is the 800lb gorilla in the
room.    David and I had a 30 minute discussion at a Brooklyn playground about this on Sunday (don't
laugh) and by the end of it I was convinced we needed help to address a key question that was not
discussed on this string.

First, I love the interaction on this string!  As you know, this is a topic that the sales teams are dealing
with every day so the more education and marketing materials the better.   However, I feel like we are
missing one key part of the conversation.   The sales team needs to better understand our stance
(and have a company approved message) on why we do not currently offer dynamic integration with
other SSPs (ie Rubicon).    The sales team also needs to understand if we do plan on allowing this
integration (or build our own type of header-bidding) since there are rumors flying around that we are
building both.)     I polled a few senior vertical leads, revenue account managers and SPLs and no
one had a great answer to the question - ***"we are only doing header-bidding to max yield across
multiple demand partners, we would not do this if DFP had this capability - why don't you?"***

I believe we should arm the sales team with a 4 part response (very rough outline below).   We have
a great start on 3 of the parts but need some help on the last piece - highlighted in yellow.   **ASK** - I
would love to hear your perspective on this and ask if you believe we can craft this type of message
as soon as possible.   I fear we are not being as effective a possible when having these
conversations today and I worry about losing trust with our partners.   From a personal standpoint, I
am on a PMP panel next month and I have been warned that this topic will come up.   I am working
on my talking points but want to be sure they are PM approved.

1.   Empathy - explain that we understand that the quickly changing market dynamics are challenging
them.   The shift of traffic to mobile devices, view-ability demands (along side other existing kPIs), ad
blocking, etc.

2.   Capabilities - What we have (and are planning to) build to protect their data / users and help to
drive max revenue - Discuss first look, TYM, investment in formats (ie Native), maleware detection,
etc...   We should ensure the teams knows this message cold.

3.   Why no dynamic calls today - tech issues?   policy issues?   product prioritization issue?   I have
heard a few of these but it would be great to get a company approved message on why we currently
do not dynamically call Rubicon (and other SSPs). Are we considering building this?   If so, we need
to be careful on how we message this today.

4.   Things to consider when choosing to adopt header bidding - latency, data leakage, complexity,
etc....   I feel like we have a lot of these and are better informed than ever on how to message the
concerns pubs should have with this implementation.

Best,
Julie


---------- Forwarded message ----------
From: **Heidi O'brien** <hobrien@google.com>
Date: Fri, Sep 25, 2015 at 3:41 PM
Subject: Re: [programmatic-news] Another header bidding push from Appnexus
To: Jonathan Bellack <jbellack@google.com>
Cc: Chris Jansen <cjansen@google.com>, browley <browley@google.com>, Drew Bradstock <dbradstock@google.com>, Programmatic Display News <programmatic-news@google.com>, Brian Tomasette <tomasette@google.com>, Florie Arlegui <florie@google.com>, Consumer Info services <consumer-info-pbs@google.com>, "scottspencer@google.com" <scottspencer@google.com>, Jason Sigalos <sigalos@google.com>, Jon Sheffield <jsheffield@google.com>, Christopher Chagal <chagal@google.com>, Chetan Nabar <cnabar@google.com>


Great. We'll share what we find.


On Fri, Sep 25, 2015 at 3:16 PM, Jonathan Bellack <jbellack@google.com> wrote:
Thanks!  The smoking gun we have been looking for is a before/after comparison that proves that header bidding is causing AdX revenue to grow slower or shrink.


-- Jonathan Bellack / jbellack@google.com
   Director, Product Management / Publisher Ad Platforms

On Fri, Sep 25, 2015 at 3:08 PM, Heidi O'brien <hobrien@google.com> wrote:
Hi Jonathan,

Our team is pulling some pretty in-depth information to see how header bidding is affecting one of our partners who currently uses 4 header bidding technologies.

Happy to share when the analysis is complete.


On Fri, Sep 25, 2015 at 12:23 PM, Jonathan Bellack <jbellack@google.com> wrote:

Cool!  Have you or any other pod seen data where a pub adding header bidding has correlated with revenue decreases?

On Sep 25, 2015 11:25 AM, "Chris Jansen" <cjansen@google.com> wrote:
Great to see this dialogue. Our pod has been mulling a publisher event to discuss this topic candidly, tackle misunderstandings, etc. Have gotten some input from a few of you so far. We have no interest in going rogue on this, so we'll look forward to final messaging and sales training first. We'll coordinate with Bryan on a possible event as well as to offer feedback on what we're seeing on the front lines.

Chris

On Fri, Sep 25, 2015 at 11:07 AM, Brian Tomasette <tomasette@google.com> wrote:

I will coordinate with Rowley as well to make sure we are not duplicating efforts.


On Fri, Sep 25, 2015 at 10:58 AM Jonathan Bellack <jbellack@google.com> wrote:
Lots of energy on this!  Bryan Rowley is already organizing an Indirect pitch/relaunch task force -- can you talk with him to see if we can do everything in one working group?

Beyond header bidding, we also have opportunity to educate the market on new things, like:

- First Look Deals in DRX
- That DBM uses Google data on AdX but not elsewhere (ICM, Google demo) -- which I believe has demonstrable lift
- A PoV to AdX buyers about non-transparent re-listing of inventory -- how can we get the buyers to care about seeing the same impression multiple times from multiple exchanges?  Should they be demanding transparency (like a unique query identifier) -- so they can tell if it's a re-listed query, and also measure the performance impact from the extra latency of re-listed queries?



-- Jonathan Bellack / jbellack@google.com
   Director, Product Management / Publisher Ad Platforms

On Fri, Sep 25, 2015 at 10:50 AM, Brian Tomasette <tomasette@google.com> wrote:

+Scott Spencer and I were literally discussing this topic as this string went on and putting a CSI/GSL/PM working group on the calendar to address this with a sales education deck and the Programmatic Direct response to Header Tag Bidding.  Maybe we can also work on a white paper/PR portion of this effort as well.

More to come!

Thanks,
Brian

On Fri, Sep 25, 2015 at 10:44 AM Jason Sigalos <sigalos@google.com> wrote:
Great points Jonathan.  We've also discussed the safety issue (malware risk vs. the controlled and managed RTB environment), and data leakage issue.  Is there a way for Google to do a study on latency?  I think your second point is great as well - who knows what these demand partners actually pay in the end.

Provocative stuff - I realize a lot of work is being done on this, and appreciate the comments.
Jason



Jason
P: 212-381-5924 | C: ███████


On Fri, Sep 25, 2015 at 10:36 AM, Jonathan Bellack <jbellack@google.com> wrote:

The things to ask publishers are:

1 - how much latency does header bidding add to your pages?  Have you done a control experiment to see if adding that latency impacts your pageviews, session length, etc?

2 - how are you controlling for the fact that a header bidding company doesn't have to pay you what they report per query?  How do you know the header-bidding company isn't claiming they can pay, say $2, but actually only getting $1.50?  Do you have contract terms obligating them to pay what they bid?  Do you have reporting set up to monitor that and catch them if they're misrepresenting?

3 - Are you comparing the CPMs and spend you get from a given buyer (MediaMath etc) between systems?  For example is MM paying out the same on AdX as the header bidding company, implying there's no lift from the HB competition?

-- Jonathan Bellack / jbellack@google.com
   Director, Product Management / Publisher Ad Platforms

On Fri, Sep 25, 2015 at 10:32 AM, Jason Sigalos <sigalos@google.com> wrote:
Thanks Drew.  To be clear, I can sell against the idea of booking HB in such a way that EDA is not eligible.  That's dumb, and counter pub yield.  DA has always been about a real-time check with Google for a better price.  If publishers don't want to check Google, with no measurable downside, before allocation, then they're not thinking logically.  Its the second scenario, where EDA is competing, that's very difficult to rebut in the field.

Jason
P: 212-381-5924 | C: ▮▮▮▮▮▮

On Fri, Sep 25, 2015 at 10:07 AM, Drew Bradstock <dbradstock@google.com> wrote:
There is a tonne of faulty logic in the article.  We have updated the comms doc at go/hbcomms.  The biggest issue we face with header bidding right now is when its set up such that EDA is no longer eligible.  If we retain our right to compete we have no issue competing with a more accurate real time price.  If we can make the pub more money we win.  If not, we don't.  It's that simple right now.  Some vendors however are setting up their hb implementations such that eda is excluded.  That is counter productive as the whole point of hb is to get more accurate real time pricing to compete with.

Drew
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Sent from my Android Nexus so please excuse any typos.

Curious if anyone believes there is faulty logic in the argument presented?

AdWords integration into AdX (which allows for the submission of its two highest bids at auction) seems to acknowledge the issue presented here, and addresses it cleanly while maintaining the second price auction.

I may be missing the holes, but I'm finding it hard to rebut header bidding "thought" pieces.  Would love to hear other perspectives on this.
Jason


Jason
P: 212-381-5924 | C█████████


On Fri, Sep 25, 2015 at 5:53 AM, Florie Arlegui <florie@google.com> wrote:

See exchange wire article from Appnexus' SVP of publisher strategy advocating for Header bidding
https://www.exchangewire.com/blog/2015/09/22/header-bidding-another-nail-in-the-second-price-coffin


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*Working on your Native strategy? Ask me about DFP+AdX Native for Apps.*


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